

Copy

18 APR 1988

MEMORANDUM FOR: Chief, Agency Contracts Group, OL
Chief, OIT Contracts Team, ACG

FROM: John M. Ray
Director of Logistics

SUBJECT: Field Marketing, Incorporated
ACRB Docket No. R-88-3-060

1. On 12 April 1988, the subject docket was presented to the Agency Contract Review Board (ACRB) for its review. At that time, a number of issues surfaced for which there were insufficient, inconsistent and unsatisfactory responses provided during the presentation. As a result, the ACRB collectively rejected the case, referring it to the Director of Logistics for appropriate action. This action by the ACRB obviously had an adverse impact on our image.

2. Of primary concern is the failure of the Agency Contracts Group (ACG), OL, management to follow well-established procedures, which require the presentation of all cases which have a value of [] or more to be presented to the ACRB. I am very disappointed that this case was presented to the ACRB for the first time as a "fait accompli" contract action with Field Marketing, Inc. The docket indicates funds in excess of [] have been obligated since the initial contract award in 1985. The failure to previously present this contract to the ACRB, as required by Office of Logistics (OL) policy, well documented in [] Procurement Note 140 and the CIA Contracting Manual, is totally improper.

STAT

STAT

STAT

3. The following actions are to be undertaken immediately and completed no later than 10 days from the date of this memorandum.

a. Please prepare a detailed, complete report which provides a chronology of all significant pre-award and contract actions which resulted in the award and modification to Contract [] (NOTE: Executive Summary of referenced docket refers to the Contract [] with Field Marketing, Inc., including a list of all contracting personnel involved in each contract action, e.g. negotiation, supervising contract officer, etc. All review criteria and activity associated with each action at the team and group level shall be identified. Supporting documentation utilized or resulting from such reviews shall also be provided.

STAT

STAT

OL 5048-88

~~ADMINISTRATIVE - INTERNAL USE ONLY~~



SUBJECT: Field Marketing, Incorporated - ACRB Docket No. R-88-3-060

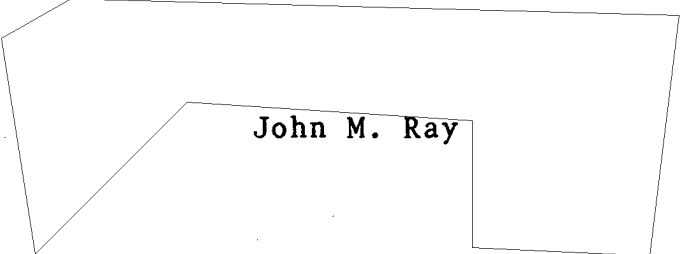
b. A substantive review of the specifics of the contract and modification, with identification of any irregularities, as may exist, arising out of the terms and conditions of the contract, contract pricing and its reasonability and the adequacy of competition or lack thereof, along with full and complete answers to all questions raised by Procurement Management Staff (PMS), OL and/or Board members involved in the ACRB process. This review shall specifically state the fiscal years and amounts of all funds obligated to-date and the periods of performance they support, along with all economic analyses identifying the advantages to the Agency of the lease periods arrayed against the projected periods of use of the acquired systems.

c. The identification of management controls and other measures within the ACG/OL which should have precluded the abuses identified by the ACRB, with particular focus on ACG/OLs review process at the Group level. I am sure you realize that Group management review of significant contract actions, e.g. those requiring ACRB action, was a major recommendation of the Coopers and Lybrand study of 1986, for which I hold senior operating officials responsible.

d. A request for approval of the contract actions completed to-date in the nature of a ratification pursuant to CCM 1.672 and a detailed plan outlining your approach to present any further actions under this contract to the ACRB.

3. After reviewing your report, I will take the appropriate action.

4. A copy of your report is to be forwarded to C/PMS/OL and the Procurement Executive, OL. If you have any inquiries, please contact C/PMS/OL.



John M. Ray

STAT

~~ADMINISTRATIVE - INTERNAL USE ONLY~~

SUBJECT: Field Marketing, Incorporated - ACRB Docket No. R-88-3-060

Distribution:

Orig - Addressee

✓ 1 - OL Registry / *OL files*

1 - OL/PMS Official

1 - OL/PMS Chrono

OL/PMS



(18APR88)

STAT

~~ADMINISTRATIVE - INTERNAL USE ONLY~~